### LAND BOARD AGENDA ITEM

February 20th, 2007

# PRELIMINARY APPROVAL FOR SALE OF LAND BANKING PARCEL # 376

Seller: State of Montana, Department of Natural Resources

and Conservation

Nominator: DNRC at the request of Rock Creek Cattle Company

**Location:** Approximately five miles northwest of Deer Lodge,

MT within Powell County.

**Property Characteristics:** Primarily grassland with approximately 220 acres of

timber.

**Access:** No public access. The parcel is surrounded by

private landholdings of Rock Creek Cattle Company.

Potential MEPA Issues: None identified

Proposed Use after Purchase: If Rock Creek Cattle Company is the successful

bidder on the purchase of Section 10, the conceptual plan is to develop up to 25 lots of the 220 approved lots in the northern portion of the section. The trust

land would be sold with a deed restriction of

development for 25 lots.

**Joint Venture:** In order to offset the loss of revenue associated with

future development potential, a conveyance fee as a percent per lot will be added as a condition of the sale. The ½ percent is a perpetual conveyance fee applying to every transfer of the property and

improvements over time.

**Recommendation:** The Director recommends that the Board give

preliminary approval to sale #376.

### LAND BANKING INFORMATION REPORT

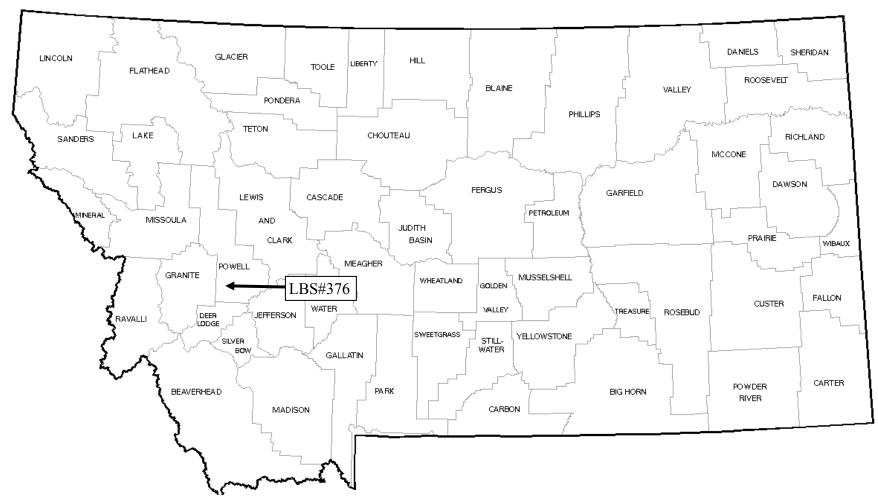
DATE: February 5, 2007

LEASE NO.(S)	4161	COUNTY: Powell County				
SALE NUMBER/S AND LEGAL	Sale No 376	Legal Sec 10 Twn 8N Rng 10W Ac 640				
AREA OFFICE Northwest		tern Land Office XX Southwestern Land Office Central Land Office				
(Check One) Northeas		stern Land Office Southern Land Office Eastern Land Office				
Current Classification:		Ag XX Grazing Timber Other:				
Nominated by:		Department XX Lessee Rock Creek Cattle Co. (RCCC)				
Isolated		XX Yes  No Reason and describe:				
Parcel surrounded by other public land?		Yes XXX No If yes, explain:				
Parcel surrounded by other conservation easements?		Yes XX No If yes, explain:				
Results of MEPA determine significant for threatened or endangered species?		Yes XX No If yes, explain:				
Does the parcel/s provide public access to other public or state lands?		Yes XXX No If yes, explain:				
Does the parcel/s provide access to adjacent private lands?						
Parcel/s income and productivity.		Produces less than average rate of income: Yes XX No				
		High market value: XX Yes  No				
		low return of asset: XX Yes No				
		High administrative costs compared to other similar parcels: Yes XX No				
		Potential to increase productive capacity of the land: Yes XX No				
Parcel/s impact on the diversity of the overall asset portfolio within its land classification.		XX Reduces classified grazing lands by a minor amount.				
						Extent of infrastructure.
Availability of Utilities: Power Telephone Water Sewer						
Potential for appreciation or depreciation in the value of the parcel.		XX Appreciation   Depreciation				
		Comments: Appreciation is expected to continue in the area indefinitely. To				
		accommodate that appreciation a perpetual conveyance fee will be attached to the				
		property in perpetuity.				
Potential for development or value- added activities that complement local and statewide economic development.		Yes, there is potential for development. A Planned Unit Development (PUD)				
		submitted by RCCC on their adjacent land has been approved for approximately 220				
		homes, an 18-hole golf course, a 14,000 square-foot fishing lodge and a large fitness				
		center. If RCCC is the successful bidder on the purchase of Section 10, then RCCC				

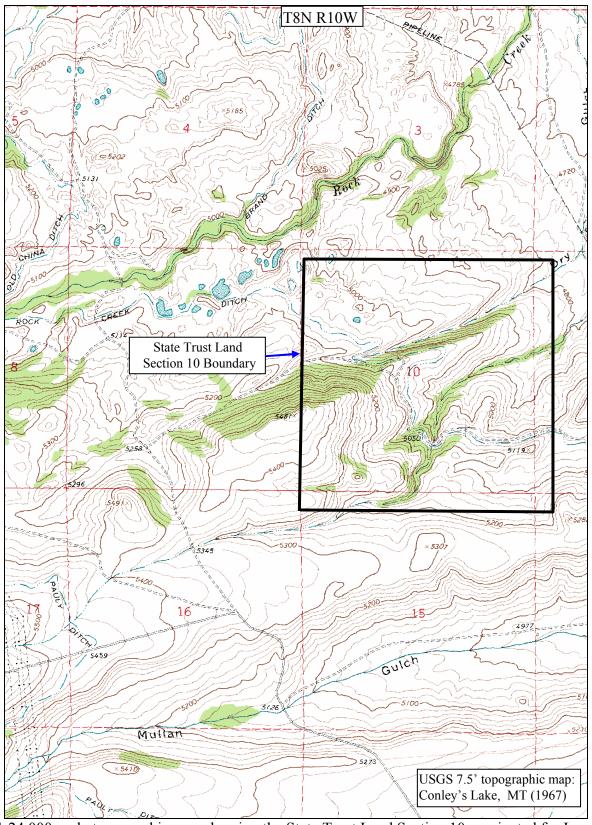
[,	may relocate up	to 25 lots of the	220 approved lots onto the northe	ern portion of the
	section.			
Recommendation to sell or retain parce	el. XX SELL	RETAIN	Reasons for Recommendation:	
Please attach all supporting documentat	ion, such as lette	ers and maps tha	t are of value in making the decisi	on
This form must be signed and dated belindicated in the subsequent blocks.	ow by the individ	ual completing th	ne form, and must be reviewed and	d approved by staff as
Liz Mullins			Februar	y 6, 2007
Signature of Individual Completing the F	orm			Date
REVIEW BY DEPARTMENT ADMINST	RATOR:			
Tony Liane			F	ebruary 6, 2007
Name/Title				Date
Final Decision: XX SELL RETAI	N			

Reason for Final Decision: Sale of the parcel will provide the beneficiary with ongoing an income stream from this parcel in addition to providing revenue with which to purchase other land producing a higher rate of return.

#### ATTACHMENT A

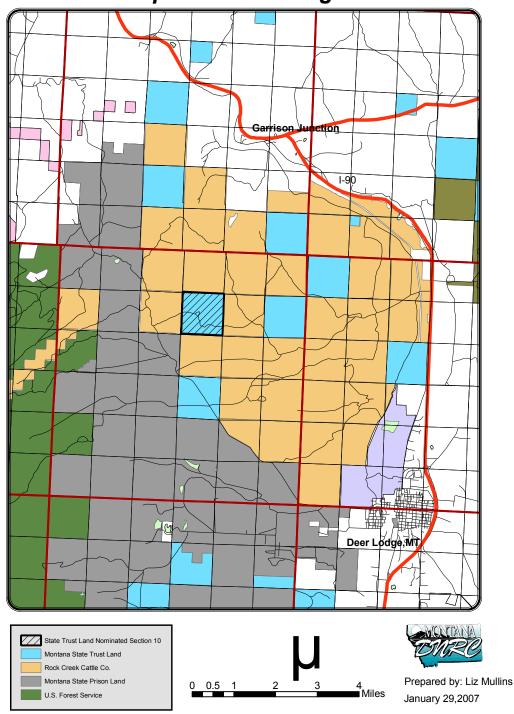


General location of State Trust Land Section 10, 8N10W



1:24,000 scale topographic map showing the State Trust Land Section 10 nominated for Land Banking by Rock Creek Cattle Co. in Powell County.

## Land Banking Nomination for Section 10, Township 10 North Range 8 West



ATTACHMENT B Rock Creek Cattle Co. Folco Candace Durran 613 Rock Creek Cattle Road 601 Riverside Avenue, 12th Floor PO Box 201601 Jacksonville, FL 3220 Helena, MT 59620 Deerlodge, MT 59722 Janel Favero Kevin Chappell Dan Bushnell PO Box 201602 PO Box 201603 PO Box 201604 Helena, MT 59620 Helena, MT 59620 Helena, MT 59620 Chris Marchion Patrick Rennie Ron Marcoux PO Box 201605 2541 Stuart Street 2105 Garfield Helena, MT 59620 Helena, MT 59601 Anaconda, MT 59711 Helena National Forest Prickly Pear Sportsmen's Rocky Mountain Elk Foundation Mike Mueller Association Larry Cole 2880 Skyway Drive Mike O'Conner 5705 Grant Creek Road Helena, MT 59602 3312 Terrace Missoula, MT 59808 Helena, MT 59602 Skyline Sportsmen Anaconda Sportsmen Gary Thompson Lorry Thomas Tony Schoonen 810 Bielenberg St. #2 Cherry St Box 2 Deerlodge, MT 59722 Anaconda, MT 59711 Ramsey, MT 59748 Ed Scharf Fred Kuchinski Dan Burns 1117 O'Neill St 204 Slaggett 1525 Clark St. Deerlodge, MT 59722 Deerlodge, MT 59722 Deerlodge, MT 59722 Ed Hebbe Con Coughlin Rick Hirsch 530 Connway Ave. 604 Mitchel St. 3257 Yellowstone Trail Deerlodge, MT 59722 Deerlodge, MT 59722 Deerlodge, MT 59722 Jim Thompson Judge Ted Mizner Keith Harris 801 St. Mary's Ave 912 Missouri Ave. 219 Skyview Lane Deerlodge, MT 59722 Deerlodge, MT 59722 Deerlodge, MT 59722 Prickley Pear Sportsmen Club Montana Fish, Wildlife & Parks Nancy Tyrell Larry Wismer Mack Long 2810 Contour

Montana Fish, Wildlife & Parks Ray Vinkey P.O. Box 1066 Phillipsburg, MT 59858

East Helena, MT 59635

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Montana Fish, Wildlife & Parks Michael Thompson 3201 Spurgin Road Missoula, MT 59804

Contour, MT 59802

Montana Fish, Wildlife & Parks Sharon Rose 3201 Spurgin Road Missoula, MT 59804

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Montana Smart Growth Coalition Powell County Planner Montana State Prison Gayle Lambert Tim Davis Ron Hansen 300 CONLEY LAKE RD PO Box 543 409 Missouri Avenue Deerlodge, MT 59722 Deerlodge, MT 59722 Helena, MT 59624 County Firewarden Five Valleys Land Trust Pat McGillis Dave Bluford Jim Berkey 94 Rosemoss Rd P.O. Box 8953 409 Missouri Deerlodge, MT 59722 Deerlodge, MT 59722 Missoula, MT 59807 Y T TIMBER LLC John Beck John Best PO BOX 220 Box 294 Box 330021 Avon, MT 59713 Townsend, MT 59644-0220 Gold Creek, MT 59733 Marlin Gilman Rick Hirsch John Hollenback 3257 Yellowstone Trail 119 Red Barn Lane Box 330025 garrison, MT 59731 Deerlodge, MT 59722 Gold Creek, MT 59722 John (Tracy) Manley Randy Mannix Sharon Jacobsen 232 Douglas Creek Lane 106 Spieker Loop 48520 Mt. Hwy. 200 Ovando, MT 59845 Drummond, MT 59832 Helmville, MT 59843 Bill Mattice Bill Pierce Gail Jones 1032 Warm Springs Creek Road Box 130 409 Missouri Avenue Garrison, MT 59731 Elliston, MT 59728 Deerlodge, MT 59722-1084 Dwight O'Hara Ralph "Rem" Mannix Senator Dave Lewis 409 Missouri Avenue 409 Missouri Avenue 5871 Collins Road Deerlodge, MT 59722-1084 Deerlodge, MT 59722-1084 Helena, MT 59602 Representative Jim Weed Montrust Montana Environmental **Information Center** 4525 Glass Drive PO Box 1111 Anne Hedges Helena, MT 59602 Missoula, MT 59806 PO BOX 1184 HELENA, MT 59624 MONTANA WILDLIFE Montana School Boards Association Daniel Berube Bob Vogel **FEDERATION** 27 Cedar Lake Dr. One South Montana Ave. Bill Orsello/Stan Frasier Butte, MT 59701 PO BOX 1175 Helena, MT 59601 HELENA, MT 59624 Dept. of Labor and Industry MONTANA WOOD PRODUCTS Montana Association of Counties Dore Schwinden Ellen Engstedt Harold Blattie

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Helena, MT 59624-1728

2715 Skyway Dr.

Helena, MT 59601

Jack Atcheson, SR. 3210 OTTAWA BUTTE, MT 59701

MSU Bozeman Leslie Taylor P.O. Box 172440 Bozeman, MT 59717-0001

Univ. of Montana Rosi Keller 32 Campus Dr. Missoula, MT 59812-0001 MONTANA AUDUBON Janet Ellis PO BOX 595 HELENA, MT 59624

MT FARM BUREAU FEDERATION Nancy Schlepp 502 S 19th, SUITE 4 BOZEMAN, MT 59715 Stockgrowers Jay Bodner 420 N. Calif.

Helena, MT 59601

DNRC Jeanne Holmgren P.O. Box 201601 Helena, MT 59620-1601

Matador Cattle Co. Ray Marxer 9500 Blacktail Rd. Dillon, MT 59725